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# Message Text

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PAGE 01 STATE 227394 TOSEC 130075

14
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C O N F I D E N T I A L STATE 227394 TOSEC 130075

EXDIS

FOL REPEAT JIDDA 6525 SENT ACTION SECSTATE SEP 23, 1975

QUOTE

C O N F I D E N T I A L JIDDA 6525

EXDIS

E.O. 11652: XGDS-3
TAGS: ENRG, SA, US, PFOR
SUBJECT: KING'S RESPONSE TO PRESIDENT'S LETTER OF SEPTEMBER 10

REF: STATE 214123

1. ON SEPTEMBER 22 ACTING FONMIN OSS'UD PRESENTED CHARGE WITH KING KHALID'S REPLY TO PRESIDENT FORD'S LETTER OF SEPTEMBER 10. LETTER BEING FORWARDED TO NEA/ARP, ATTENTION MR. CECIL. EMBASSY TRANSLATION FOLLOWS:

"IN THE NAME OF GOD THE MERCIFUL, THE COMPASSIONATE,
HIS EXCELLENCY PRESIDENT GERALD R. FORD
PRESIDENT OF THE UNITED STATES OF AMERICA

DEAR MR. PRESIDENT:
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I RECEIVED YOUR EXCELLENCY'S LETTER DATED SEPTEMBER 10, 1975, WHICH REACHED ME BY MEANS OF THE AMERICAN EMBASSY IN JIDDA.

IN EXPRESSING TO YOUR EXCELLENCY MY APPRECIATION AND DEEP ESTEEM FOR THE NOBLE FEELINGS YOU EXPRESSED I APPRECIATE PARTICULARLY YOUR PENETRATING UNDERSTANDING OF THE PREVAILING CIRCUMSTANCES, AND YOUR INTENSE DESIRE TO PRESERVE THE LONGSTANDING TRADITIONAL FRIEND-SHIP WHICH LINKS OUR TWO FRIENDLY COUNTRIES--AND WHICH WE HOPE WILL BECOME STRONGER AND FIRMER WITH THE PASSAGE OF TIME.

YOUR EXCELLENCY THE PRESIDENT

I RACEIVED WITH APPRECIATION THE WISH YOU EXPRESSED THAT THE KINGDOM WHOULD MAKE AN EFFORT WITH THE MEMBER STATES IN OPEC AT THE COMING MEETING TO STAND FIRM AGAINST ANY INCREASE IN THE PRICES OF OIL. AS YOUR EXCELLENCY KNOWS, THE KINGDOM DOES NOT PUT LIMITS ON THE PRODUCTION OF ITS OIL, AND IT FACILITATES ITS MARKETING TO THOSE WHO NEED IT. IT IS NOT OUR GOAL NOR OUR OBJECT TO PUSH THE PRICES OF OIL UP. THE SUBJECT OF THE PRICE OF THIS VITAL COMMODITY HOWEVER WILL REMAIN AN ACTIVE ONE AT THIS TIME FOR THE INDUSTRIALIZED AS WELL AS THE DEVELOPING COUNTRIES--UNLESS SINCERE EFFORTS CAN BE COOR-DINATED TO NARROW THE DIFFERENCES BETWEEN THEM.

YOUR EXCELLENCY THE PRESIDENT:

IT IS OBVIOUS TO YOUR EXCELLENCY THAT SOME OF THE MEMBER REGIONS IN OPEC ARE CALLING FOR FURTHER PRICE INCREASES IN RESPONSE TO PRESSURES OF THEIR OWN NEEDS. OTHERS CONSIDER PETROLEUM TOO VALUABLE A COMMODITY TO BE USED AS FUEL--THEY WOULD RATHER SEE IT USED AS A BASIC ELEMENT IN NUMEROUS, IMPORTANT INDUSTRIAL PROJECTS; IN ADDITION TO THESE OPEC MEMBERS, THERE ARE A NUMBER OF MEMBERS WHO ARE MORE FLEXIBLE AND DISPOSED TO MODIFY THEIR POSITION TO HARMONIZE WITH THE NEEDS OF THE PEOPLES OF THE INDUSTRIALIZED NATIONS. BUT HOW CAN THESE VARIOUS CONFIDENTIAL



POSITIONS BE RECONCILED?

IF THE KINGDOM'S CORRECT AND WELL-CONSIDERED VIEWS ARE TO PREVAIL UPON OTHERS, AND FOR ITS DISCUSSION WITH THE OTHER OPEC MEMBERS AT THE COMING MEETING TO HAVE A POSITIVE RESULT, THE GAP BETWEEN MEMBERS' POSITIONS MUST BE NARROWED ON THE ONE HAND AND THAT THERE BE A POSITIVE DISPOSITION TOWARD THE DESIRES OF THE INDUSTRIALIZED

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COUNTRIES ON THE OTHER. THIS LATTER CONDITION BECOMES PROBABLE TO THE EXTENT THAT THE ADVANCED REGIONS CAN PROFFER ASSISTANCE TO SOLVING THE ECONOMIC PROBLEMS OF THE DEVELOPING NATIONS AND IN PARTICULAR THE PROBLEMS OF THE OIL PRODUCING NATIONS--BY PROVIDING THEM WITH SCIENTIFIC AND TECHNOLOGICAL SUPPORT--WHICH WOULD RESULT IN MUTUAL EFFECTIVE PARTICIPATION IN PROMOTING GOOD WILL ON BEHALF OR PROSPERITY FOR ALL PEOPLE.

YOUR EXCELLENCY THE PRESIDENT:

YOUR EXCELLENCY KNOWS THAT IT IS NOT THE POLICY OF THE KINGDOM TO RAISE THE PRICE OF OIL UNDER PRESENT CIRCUMSTANCES. THE KINGDOM IN FACT IS MAKING AN EFFORT TO CURB THE PRESSURES FOR A FURTHER INCREASE IN THE PRICE OF OIL AT THE NEXT MEETING OF OPEC ON SEPTEMBER 24, 1975. BUT YOU MUST ALSO KNOW THAT THE KINGDOM OF SAUDI ARABIA DOES NOT WANT TO MAINTAIN A POSITION SINGLEHANDEDLY IF ALL OF THE OTHER OPEC STATES INSIST UPON AN INCREASE ON PRICES, SINCE IT CANNOT STAND ISOLATED FROM ITS PARTNERS IN OPEC. THE KINGDOM HOWEVER WILL TRY TO EXERCISE WHATEVER INFLUENCE IT CAN, SO THAT THE AMOUNT OF THE PRICE INCREASE WILL BE REASONABLE AND MODERATE. THE KINGDOM WILL ALSO TRY TO CONVINCE THE MEMBER NATIONS OF THE IMPORTANCE OF BEING MODERATE--PENDING THE ACHIEVEMENT OF FRUITFUL RESULTS WITH THE EUROPEAN STATES IN THE DIALOGUE WHICH WILL BE HELD WITH THE OIL PRODUCING NATIONS, THE OIL CONSUMERS, AND THE DEVELOPING NATIONS; THE KINGDOM A SHORT TIME AGO BEGAN MAKING CONTACTS WITH THE OPEC STATES TO THIS PURPOSE.

I IMPLORE ALMIGHTY GOD TO CROWN ALL OF YOUR EFFORTS WITH SUCCESS FOR THE BEST OF OUR TWO FRIENDLY COUNTRIES
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AND FOR THE ENTIRE WORLD. I WISH YOUR EXCELLENCY CONTINED HEALTH, HAPPINESS AND FELICITY, AND THAT GOD MAY PRESERVE YOU ALWAYS.

KHALID BIN ABD AL-AZIZ

(SEAL)

TAIF ON 15 RAMADAN 1395 A.H.
CORRESPONDING TO SEPTEMBER 20, 1975 A.D.
END QUOTE.
AKINS

UNQUOTE. ROBINSON

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**Draft Date:** 24 SEP 1975
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**Subject:** KING'S RESPONSE TO PRESIDENT'S LETTER OF SEPTEMBER 10
**TAGS:** ENRG, PFOR, SA, US, (FORD, GERALD R), (SAUD, KHALID IBN ABD AL-AZIZ AL)
**To:** SECRETARY
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